

1 Gerald L. McMahon, Esq. (SBN 036050)
2 Monty A. McIntyre, Esq. (SBN 95796)
3 G. Scott Williams, Esq. (SBN 226516)
4 SELTZER CAPLAN McMAHON VITEK
5 A Law Corporation
6 750 B Street, 2100 Symphony Towers
San Diego, California 92101-8177
Telephone: (619) 685-3003
Facsimile: (619) 685-3100

7 Attorneys for Defendants LOWLIFE CORPORATION LIMITED (incorrectly sued as
8 LOWLIFE CORPORATION, LTD); DALE MASTERS; and EBTM plc

UNITED STATES DISTRICT COURT OF CALIFORNIA
SOUTHERN DISTRICT

11 REALLY LIKEABLE PEOPLE, INC., a) CASE NO. 07 CV 2405 L CAB
12 Delaware corporation, LOSERKIDS, INC., a)
13 California Corporation, MACBETH, INC., a) DECLARATION OF MICHAEL H. RINEY
14 California corporation, MACBETH OPTICS,) IN SUPPORT OF SPECIAL MOTION TO
15 LP, a California limited partnership, and) STRIKE UNDER CALIFORNIA CODE OF
16 REALLY LIKEABLE PEOPLE II, INC.) CIVIL PROCEDURE SECTION 425.16
17 (formerly ATTICUS CLOTHING, INC.), a)
18 California corporation,)
19 Plaintiffs,) Date: March 24, 2008
20 vs.) Time: 10:30 a.m.
21) Courtroom: 14
22) Judge: M. James Lorenz
23)
LOWLIFE CORPORATION, LTD, an)
English limited company, EVERYTHING)
BUT THE MUSIC, plc, an English)
corporation, DALE MASTERS, an)
individual, and DOES 1 through 25,)
inclusive,)
Defendants.)

I, Michael H. Riney, declare:

26 1. I am an attorney licensed to practice law in the State of California, and a
27 shareholder with Vantage Law Group, A.P.C. I previously represented Lowlife Corporation

1 Limited ("Lowlife") and Dale Masters. I have personal knowledge of the matters stated below,
2 and if called upon to testify could testify competently thereto.

3 2. The complaint filed by Plaintiffs in this action arises out of earlier litigation
4 between the parties that was settled when they entered into five different agreements.

5 3. The saga began on March 19, 2007, when Lowlife filed a Complaint for
6 Declaratory Relief, Damages and Imposition of Constructive Trust in the San Diego Superior
7 Court, Case No. GIC 881995 ("*Lowlife v. RLP*"), against defendants Really Likeable People,
8 L.P. ("RLP"), Macbeth, Inc. ("Macbeth") and others as a result of the wrongful attempted
9 termination by RLP, Macbeth, and others of a joint venture with Lowlife for the operation of a
10 United Kingdom website called www.loserkids.uk.com, and distributor relationships with
11 Lowlife regarding the sale in the United Kingdom and Europe of Atticus, Macbeth and
12 Loserkids branded products. A true and accurate copy of the *Lowlife v RLP* complaint is
13 attached to the Notice of Lodgment as Exhibit 1.

14 4. *Lowlife v. RLP* was settled by the execution of five agreements. The first
15 agreement was the Heads of Agreement, signed by Lowlife, RLP and Atticus Clothing, Inc. on
16 March 28, 2007 ("Heads of Agreement"). The Heads of Agreement gave Lowlife the option to
17 purchase the Atticus clothing brand for \$4.2 million, and provided for the wind-down of the
18 existing relationships between the parties. The Heads of Agreement called for the parties to
19 enter into more detailed agreements, and if they were unable to do so they agreed to conduct an
20 arbitration to decide any final definitive terms of said agreements. A true and accurate copy of
21 the Heads of Agreement is attached to the Notice of Lodgment as Exhibit 2.

22 5. On May 3, 2007, Lowlife filed a demand to arbitrate the final definitive terms
23 and conditions of the agreements, as provided in the Heads of Agreement ("*Lowlife v. RLP*
24 *Arbitration*"). A true and accurate copy of the demand for arbitration is attached to the Notice
25 of Lodgment as Exhibit 3.

26 ///

27 ///

1 6. On or about May 23, 2007, counsel for the parties to the arbitration executed a
2 Stipulation Re: Statement and Scope of Claim For Arbitration. A true and accurate copy of the
3 stipulation is attached to the Notice of Lodgment as Exhibit 4.

4 7. On May 29, 2007, as a result of extensive settlement negotiations that began
5 before the signing of the Heads of Agreement, the parties executed four additional agreements
6 to resolve the pending case of *Lowlife v. RLP* and the pending *Lowlife v. RLP Arbitration*.
7 These four agreements were an asset purchase and sales agreement regarding the Atticus
8 clothing brand, and three “wind-down” agreements. In the Asset Purchase and Sale Agreement
9 (“Atticus Purchase Agreement”), dated May 29, 2007, RLP agreed to sell Atticus brand assets
10 to Lowlife for \$4.2 million. The three “wind-down” agreements, all dated May 29, 2007,
11 provided for 1) the wind-down of the distribution relationship between RLP and Lowlife
12 created by the Atticus Manufacturing Agreement (“Atticus Wind-Down Agreement”); 2) the
13 wind-down of the distribution relationship created by the Macbeth Manufacturing Agreement
14 (“Macbeth Wind-Down Agreement”); and 3) the wind-down of the relationship between RLP
15 and Lowlife with regard to the operation of the www.loserkids.uk.com website
16 (“Loserkids.uk.com Wind-Down Agreement”). A true and accurate copy of the Atticus
17 Purchase Agreement is attached to the Notice of Lodgment as Exhibit 5, a true and accurate
18 copy of the Atticus Wind-Down Agreement is attached to the Notice of Lodgment as Exhibit 6,
19 a true and accurate copy of the Macbeth Wind-Down Agreement is attached to the Notice of
20 Lodgment as Exhibit 7, and a true and accurate copy of the loserkids.uk.com Wind-Down
21 Agreement is attached to the Notice of Lodgment as Exhibit 8.

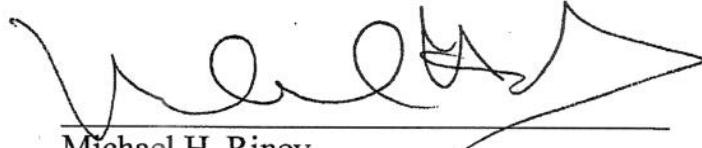
22 8. As a result of the settlement between the parties as set forth in the five
23 agreements, *Lowlife v. RLP* was dismissed on May 18, 2007, and the *Lowlife v. RLP*
24 *Arbitration* was taken off calendar on June 5, 2007. A true and accurate copy of the *Lowlife v.*
25 *RLP* dismissal is attached to the Notice of Lodgment as Exhibit 9, and a true and accurate copy
26
27 ///
28 ///

1 of the letter taking the *Lowlife v. RLP Arbitration* off calendar is attached to the Notice of
2 Lodgment as Exhibit 10.

3 I declare under penalty of perjury under the laws of the United States of America that
4 the foregoing is true and corrected.

5 Executed this 8th day of February, 2008, at San Diego, California.
6

7
8
9 Michael H. Riney
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28



4

DECLARATION OF MICHAEL H. RINEY IN SUPPORT OF SPECIAL MOTION TO STRIKE UNDER CCP § 425.16

CASE NO. 07 CV 2405 L CAB